NW MICHIGAN HOUSING NEEDS ASSESSMENT - MAY 2023

**Demographic Analysis:** We will identify the population and household characteristics and trends within each study area including such things as household income, size, tenure (renter and owner), and age cohort. The demographic data will be analyzed and displayed for 2000, 2010, 2021, and 2026. Migration patterns into and out of the study area will be analyzed (with an emphasis on interstate migration), including an overview of key demographic profile data (place of origin, age and income) of persons migrating into each market.

**Housing Supply Analysis:** Housing stock characteristics will be analyzed and displayed for the Study Areas (based on U.S. Census data and ACS data), including housing tenure (renter-occupied vs. owner-occupied), vacancy rates by tenure, age of housing, types of housing supply (single family, duplex, multifamily, etc.), general housing condition (based on evaluation of substandard housing conditions cited in U.S. Census), housing values, rent levels, building permit data and cost-burdened households. This data will be used to supplement the on-site housing data we will collect, as described below.

**Housing Market Conditions:** Bowen National Research will utilize in-house research and “boots on the ground” research approaches to collect housing data within each study area. Detailed maps of all housing types identified will be provided. Multifamily Rental Housing: We will identify multifamily rental housing properties, including government-subsidized and affordable Tax Credit properties, as well as market-rate properties (generally with more than 10 units at a single location). An in-person field survey will be completed for each study area and will be used to measure the overall strength of the rental market. This in-person survey also allows our firm to conduct a visual exterior inspection of each property to rate its overall condition and neighborhood location. Detailed data will be collected including rental rates, subsidy types, vacancy rates, amenities, year built, utility responsibility, Housing Choice Voucher holders, etc. We will also identify housing developments that are at-risk of losing rent subsidies and expiring use restrictions for Low Income Housing Tax Credit developments.

**Non-Conventional Rentals:** Through online resources such as Craigslist and area property management websites, we will inventory available non-conventional rental properties, such as duplexes, single-family homes, mobile homes, units over storefronts, etc. This inventory will be limited to only what can be identified as “available for-rent” at the time of our analysis and will not include a comprehensive list of all such units that are currently rented/occupied. However, secondary data will be presented and evaluated to assess certain attributes (such as rents, age, size, etc.) of non-conventional rentals. Data will focus on asking rents, number of bedrooms/bathrooms, and location.
For-Sale Housing: We will obtain for-sale home data for each market from sources such as Multiple Listing Services, Realtor.com, local tax assessor, and other sources as available. Data will be collected and analyzed for both historical sales (typically for the past 3 to 5 years) and available for-sale housing alternatives. We will evaluate the product by price point, bedroom type, year built, days on market, and location, depending upon the availability of published data. Because Michigan is a non-disclosure state, some MLS data may be limited.

Development Pipeline and Building Permits: Building statistics will be evaluated and interviews with officials familiar with the residential development pipeline will be interviewed. The research will describe the likelihood of construction, the timing of the project, and its impact on the market. Housing Demand (Gap Analysis): Based on the existing housing stock within each study area and current demographics, a housing gap analysis will be completed for each submarket and will be shown for a five-year projection period. The gap analysis will determine whether a deficit or surplus of housing units exists for households at various income bands for both rental and for-sale housing. The actual income stratifications that will be studied can be negotiated between the parties. The demand analysis will consider current household estimates, household growth projections by income and tenure, additional units required for a balanced market, replacement of substandard housing and account for potential commuter support.

Conclusions/Recommendations: The report and conclusions will provide government entities, area housing professionals, and other interested stakeholders with the base of knowledge to make informed strategic decisions on housing priorities and plans. This analysis will enable the client to understand their greatest housing needs and allow them to begin to structure policies and/or establish incentives to support targeted housing products.